

WORKING FAMILIES TAX CUT

Benefits to Families from the Working Families Tax Cut

Texas | Tax Year 2026

ESTIMATED AVERAGE TAX CUT

\$2,923

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$1,760
Families with Children	\$4,295
Joint Filers with 2+ Children	\$7,366
Households without Children	\$2,322
Seniors (65+)	\$2,926

ILLUSTRATIVE HOUSEHOLDS

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
Retired federal worker couple	Social Security based on national average annual benefits (\$24,852 and \$11,808); pension modeled as \$25,000 and \$20,000 in taxable retirement income	\$4,226
Single restaurant server	\$29,602 median local wage; tips assumed at 45% of earnings; no children	\$711
Teacher and office clerk family	\$65,380 and \$39,745 median local wages; married couple with 2 children	\$6,662
Single nurse with overtime	\$95,398 median local wage; overtime pay assumed at 5% of earnings; no children	\$5,647
Single-parent home health aide	\$24,875 median local wage; 1 child	\$1,706
Electrician family	One earner at \$60,327 median local wage; married couple with 1 child	\$3,842
Plumber family	One earner at \$62,065 median local wage; married couple with 1 child	\$3,891
Construction worker family	One earner at \$40,465 median local wage; married couple with 1 child	\$2,763
Police officer family	One earner at \$80,920 median local wage; married couple with 2 children	\$5,987

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
Firefighter family	One earner at \$64,482 median local wage; married couple with 2 children	\$4,938
Truck driver and home health aide family	\$56,247 and \$24,875 median local wages; married couple with 2 children	\$5,992

Methodology: Average tax changes are modeled using Tax-Calculator. Illustrative household examples are modeled in PolicyEngine using geography-specific wage inputs where available and do not reflect geography-wide averages.

America First Policy Institute